

Unit-1 Introduction to Management :-

Chapter 1 : Introduction

Definition :- Management is the art of getting things done through the people.

(or)

Management is the process of consisting planning, organizing, staffing, directing and controlling, performed to determine and accomplish the objectives by use of people and resources.

The word MANAGEMENT can be understand as follows with text book meaning.

In the word MANAGEMENT if we make 'T' silent then it becomes "MANAGEMEN" It gives meaning of manage the men & women in the organization which is very much required in the organization.

Again (or) in the word MANAGEMENT if you make 'N' silent then it becomes "MANAGEME" it gives the meaning of before managing the others first we need to manage ourselves it is applicable to the all individuals specially to the managers or superiors who use to manage others.

(1)

Management basically it consist four 'M' those are → M - Men, M - Money, M - Material, M - Machine

Unless all until these four 'M' combine each other no work or objectives can not be achieved.

Characteristics of Management :-

- 1) Management is intangible as it can not be seen ; but its presence can be felt by efforts in the production, sales & revenues.
- 2) Management is universal & it is applicable to all size and forms of organization
- 3) Management is a group activity.
- 4) Management is a goal oriented.
- 5) Management is a science as well as art
- 6) Management is multidisciplinary & dynamic.

Nature :

- 1) It should be stable
- 2) It should be transparent
- 3) It should be simple & clear
- 4) It should have good planning, organizing, staffing, directing, controlling functions.

① Functional areas of Management :-
Management process or cycle.

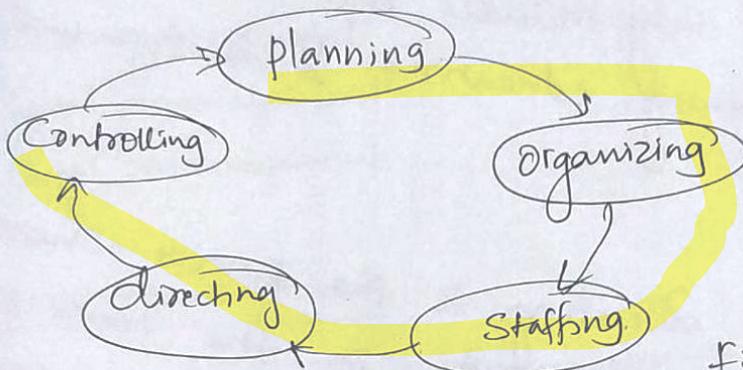


Fig. ①

Management basically consist five functions which are shown in above figure.
Let us discuss those function in brief.

① Planning :- planning is a primary function of management. It is a thinking in advance which gives the answers for various questions like What to do ? when to do ? Where to do ? By whom ? & how to do ? This basically bridges the gap between present and future.

② Organizing :- It is the arrangement of all the resources to achieve the objectives which they have planned in planning function.

Resources includes physical, financial, and human resources.

Organizing provides the structure to the organization and co-ordinates the all activities.

②

③ Staffing:- Staffing the process where organization recruit the individuals for various jobs. It is selecting the right person for a right job. Staffing not only includes the recruitment it consists training, education & development of employees.

④ Directing:- Directing is the process where guidelines will be given in the form of instruction, suggestions to the employees to carry out the particular work or job. It consists primarily three function or element. i) leadership ii) Motivation iii) Communication.

⑤ Controlling:- In any organization controlling function is very much essential because the work should not get diverted. It consists following steps.

i) Establishing the standards.

ii) Measuring the current performance.

iii) Comparing the current performance with Set Standards.

iv) If there is any deviation then necessary action should be taken.

Levels of Management:

Management exist in all levels irrespective of size namely,

- 1) Top level management
- 2) ^{Medium} Low level management
- 3) Low level management

① Top Level Management:

This level of management consist Chairman, president, CEO, Board of directors, General manager etc.

The functions of this level management is setting objectives, framing policies, making strategy for the organization.

② Medium Level Management:

It consists of Deputy manager, department heads, production manager, sales manager, marketing manager etc.

Functions of these levels are executing the policies framed by top level, making the departmental ~~functions~~ objectives. Basically this levels acts as a bridge between top level and low level management.

③ Low Level Management :-

This level of management consists of supervisor, foreman, instructor etc.

The function of this level is getting things done through the core group of workers by giving guidance, instructions, & etc to the workers.

Skill Required for a Manager

Basically three skills required for a manager those are as follows.

i) Technical Skill:-

The person who is in direct touch with core group of worker should have technical skill and he should be proficient in his field or area.

ii) Human Relation Skill:-

This skill differentiate the good manager with ordinary manager. This skill is very much required to understand the feeling and behaviour of worker. The one who have this skill will get best from his worker.

③ Conceptual Skill :-

This Skill is very much required for top level management. This skill deals with thinking and planning during abstract and complex situations.

Whether Management is Science or an Art ?

To answer this question we need to understand what is science and art, then comparison has to be made between management and the above factors.

What is Science ?

Science is a systematic body of reasonable knowledge developed through hypothesis and experimentation.

Features of Science

- 1) Universally applicable : All over world
- 2) Experiment & observation based : Any Law (N, Gravity)
- 3) Cause & Effect Relation : Newton Third Law
- 4) Guide for future Reliable function
(Serve as a reliable guide for future Prediction)
(Speed calculation, distance calculation)

Art :-

Art consist of theoretical knowledge and deals with application of that knowledge in to practical situation (practice).

Features

- 1) Existence of theoretical knowledge : (Literature)
- 2) Personalised application : (Teaching, playing, Doctor, Lawyer)
- 3) Based on practice & creativity
(Practice makes man as well women perfect). (New manager) & (Old Manager)

Features of Management :-

- 1) Management consist theoretical knowledge as well as principles. These principles are applicable all over world hence management is partly science as well as art.
- 2) Management principles are formed based on the principle observation & experimentation (Division of work, Time study etc).
- 3) The result of management describes the cause & effect relationship.
- 4) It is personalized in nature. ~~It dif~~
It differentiate the successfull manager to ~~unless~~ successfull

Planning is a primary function of management. It is nothing but thinking in advance.

Planning gives (provides) answers to the questions like what to do? when to do? by whom & how to do?

Basically it bridges the gap between present and future. It tells ~~the~~ about where we are now and where we want to be in future.

Features of planning

1) It focuses the attention on OBJECTIVES:
organization needs to achieve the objectives and these objectives can be achieved by steps, methods, procedure etc.

2) It is pervasive:

Planning exist everywhere from low level organization to top level organization & in all functions of management.

3) It is a continuous process:-

planning can be made for a week, month, quarterly, half yearly and yearly. It is not static in nature.

4) It is a logical & systematic thinking rather than guess work:-

This consist three points

- 1) Intelligent imagination
- 2) Foresight
- 3) Sound Judgement.

5) planning is a Futuristic :-

Through anticipation events are anticipated in future.

Limitations:-

1) planning does not guarantee success.
It just provides the basis for analysis.

2) It is a costly affair:

To plan anything we need data. The data can be obtained from survey.

research. After collecting data analysis need to be done with meetings.

~~This~~ These above parameter leads to expenditure of budget hence it is costly.

3) It is time consuming:-

For research, analysis and meetings takes time for arriving to the decision hence it leads to delay also sometime.

4) Affect by external factors:-

Planning get affected by external factors such as political, social, government etc due to that sometime plan gets fails.

5) Human Element:-

Ultimately this planning will be made by human, there is a chance of making wrong assumption and that leads to the failure of planning.

The above are the some factors of planning limitations.

Types of planning :-

Planning is broadly classified into two types based on their nature and use.

Based on their nature

- 1) Strategic planning (Long term planning)
- 2) Tactical planning (Short term planning)

Based on their Use :-

- 1) ~~Single~~ Single Use plan
- 2) Standing plan

The above two plans are further classified as follows.

1) Single Use plans

- 1) Program
- 2) Budget
- 3) Schedule
- 4) Project

2) Standing Plans

- 1) Objectives
- 2) Strategy
- 3) Procedure
- 4) Policies
- 5) Methods
- 6) Rules.

① Based on their Use :-

Standing plans :-

① objectives:-

objectives are the goals or target one who wish to achieve.

objectives tells that what to do.

② Strategy :-

Strategy is the type plan which tells that how to achieve the objectives.

(course of actions)

③ Procedure :-

It is a step by step sequence (actions) to achieve the course of action.

④ Policy :-

Policy is the principles for course of action. Within the frame work given by the management procedure has to be carried out.

Ex: Recruitment policy, Safety policy, Training policy, Marketing policy, Financial policy, Administration policy.

⑤ Methods :-

A method is a prescribed way in which one work has to be carried out.

To achieve a particular job or (work) there are many methods. ~~to each~~

⑥ Rules :-

The above methods can be applied with the help of rules.

Rules tells that what to be done & what not to be done.

Ex: Uniform, office or College timing, Traffic rules.

Based on the Nature :-

↳ Strategic plan :-

It is a long term plan consist of one year, two year or five year period. This plans made by top level management. It is fluctuating in nature (more uncertain), consist of goals, policies, rules etc.

Ex: Manufacturing a car at 1 Lakh is Strategic plan. How to do it? Where to do it? What resources are required are the tactical planning.

2) Tactical Planning:-

This plan consists low level management and it has a short term goals. It is more certain and deals with resources and actions to achieve it. Example is given already in the above explanation.

Based on their Use:-

1. Single Use plan

(1) Budget:- Budgets are plans used for resources. It is expressed in statement of a particular period.

Ex: Govt financial budget, R&D Budget, Sports Budget etc

2) Program:-

A programme is a very comprehensive plan which includes a complex set of goals, procedure, rules and resources for putting a plan in to action.

Ex: Marriage, Birthday Function, Annual day (School) etc.

③ Projects :- Projects are parts of large programme which can be identified as a clear group of activities with definite objectives and timeframe for completion, and which requires specialized abilities.

Ex: Construction, Cinema, etc

④ Schedules :-

A schedule is a timetable of work. It specifies the date and time when a task is to begin and when it is to be completed.

Ex: Time Table (Class, Events)

Objectives : SMART - Specific, Measurable, Achievable, Realistic, Timely.

Policy :- Ex:- NO credit, fixed Rate, Safety first, Honesty is the best policy.

Importance of Planning:

- ① It reduces the uncertainty, change and minimises the risk.
- ② It provides the effective control
- ③ It focuses the attention and concentration only on the objectives of the enterprise.
- ④ It makes economic operation and leads to success.
- ⑤ It forms the bridge between the present and the future.

Steps in Planning Premises :- (Process)

There are several steps in planning process which are as follows.

1) Being aware of opportunities:-

This is the first and foremost steps in the planning process, the one who should know the facilities / opportunities in the organization.

2) Establishing the objectives:-

Once after knowing the opportunities ~~realistic~~ realistic objectives has to be set.

(a)

3) Developing planning premises:-

Planning premises ~~are~~ creating or considering set of assumptions. Plan has to be made by considering certain conditions. Premises may be tangible, intangible, controllable and ~~not~~ uncontrollable premises.

4) Identifying the alternatives:-

After considering the premises a manager has to identify the alternative sources to achieve the objectives.

5) Evaluating the alternatives:-

Alternatives listed alternative has to be evaluated in the light of existing reality. Positive and negative aspects has to be considered.

6) Selection of alternatives:-

The most positive aspect & least negative aspect alternative has to be selected for the objectives.

7) Implementation:- This particular steps will be executed by middle level & low level management

Decision Making

Decision making is an integral part of planning. Decision making is nothing but choosing the suitable alternatives among various alternatives.

Types of Decision making

Decision making is classified as follows

- 1) Programmed & Non programmed decision
- 2) Strategic & Operation decision
- 3) Individual & Collective decision.

1) Programmed & Non programmed decision:-

Programmed decisions are those decisions which are routine in nature. These decisions will be taken with the help of policies, rules & regulation etc.

Non programmed decisions are those decisions which ~~are~~ have to be taken rarely & complex decisions, these decisions can not be taken with the help of policy and rules it goes with creativity and skill of manager & top management.

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2) Strategic decisions & Operational decisions :-

Strategic decisions will be taken by top level management and these type of decisions related with expansion of enterprises production increase, change in the quantity shares etc.

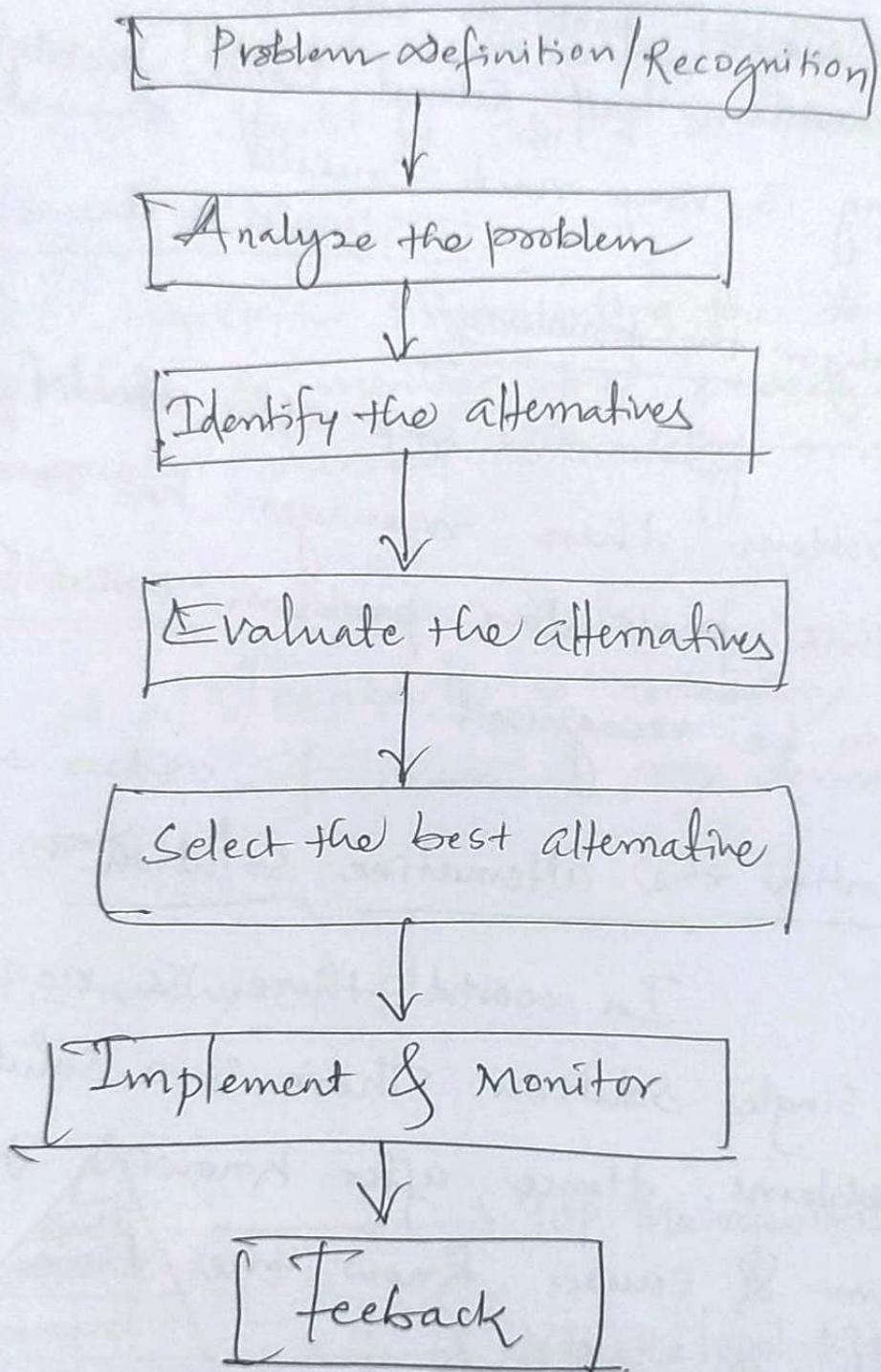
Operational decisions are day to day decision normally taken by middle level management and low level management. These decisions will deal with the course of actions to be carried out to achieve the objectives.

3) Individual decision & Collective decisions:-

Individual decision can be taken by a single person which deal with normal or routine work structure and simple.

Collective decision are taken when a particular job can not be made by a single person or department then Collective decision has to be taken and problems in complex nature.

Steps in Decision making:-



1) Problem Definition:-

Manager has to take decision when problem exist in the organization. Hence manager has to identify

(ii)

the problem correctly?

Correct problem identification is nothing but problem half solved hence problem defining is very much crucial.

2) Analyse the problem:-

In this step after identifying the problem then manager has to think why this particular problem exist, Causes has to be recognized.

3) Identify the alternative solution:-

In world there is no problem have a single solution. There is a solution for all problems. Hence after knowing the problem & cause know the time to identify the solutions.

4) Evaluate the alternate solution:-

Once alternatives are listed out then those alternatives should be evaluated with its merits & demerits.

5) Selection of Best alternatives :-

The one with most benefit and least demerit should be selected as best alternative.

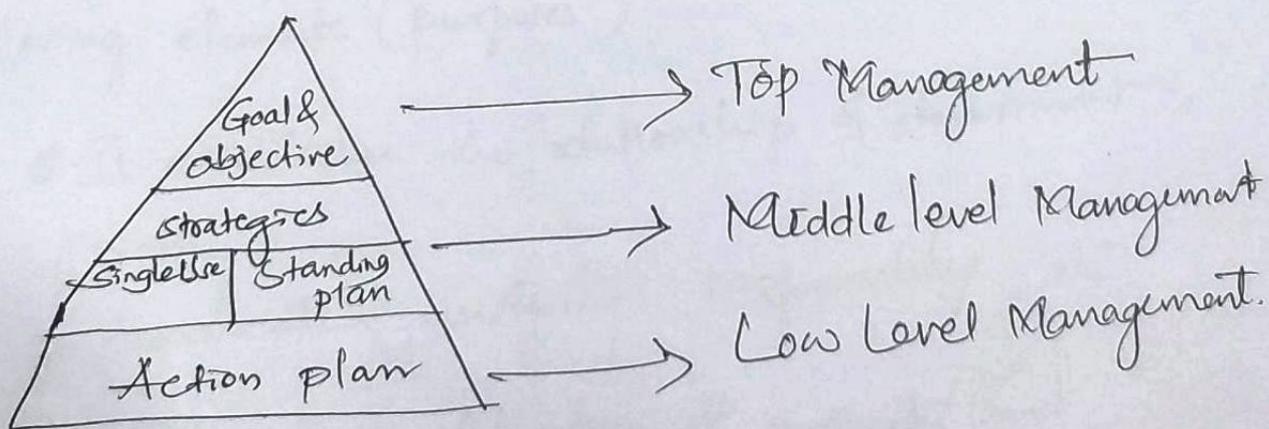
6) Implement & Monitor:-

After implementing the decision manager has to monitor the process whether that particular decision is working or not.

7) Feedback:-

Feedback is necessary to take corrective action if there is any deviation in the work.

Hierarchy of plans



Chapter 3 : Organizing

① Meaning :-

Organizing is bringing all resources together to achieve the common goals.

Organizing provides the structure, where it fixes the authority, responsibility & accountability and also provides the co-ordination and communication between the department and individuals to achieve the organizational goals.

② Purpose of organizing :-

The main purpose of organization is to achieve the objectives. Organizing includes following elements (purposes).

- 1) It establishes the relationship of department & people.
- 2) It demarcates authority, responsibility, etc.
- 3) It tells about delegation of authority and accountability.
- 4) Provides effective communication
- 5) Coordinates all resources to achieve the objectives.

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Principle Of Organization :-

There are many principles which exist in the organizations those are as follows.

1) Division of Work:-

This principle tells that work has to be divided based on the "capability and ability". It provides the Specialization of work.

2) Authority & Responsibility:-

Authority & Responsibility should go in hand in hand. Authority without responsibility and responsibility without authority become useless and doesn't give any expected result.

3) Discipline:-

Any organization has to maintain the discipline principle otherwise work of will becomes ineffective. Ex: School time, office time, etc.

4) Unity of Command:-

It tells that Subordinates should get only ~~one~~ instruction from his superior. Dual bosses leads to confusion & delay in work.

5) Unity of direction :-

This is the extension principle of unity of command as it refers to the group. One head, one group and one plan.

6) Order :-

There should be order for anything and everything. Ex: files has to be maintained in separate racks, tools should be kept in tool box etc.

7) Subordination of individual interest over general interest :-

In any organization general interest is higher than individual interest. If any conflict occurs between two departments or heads, then organization interest should be in the highest priority.

8) Scalar chain :-

It tells about the hierarchy levels in the organization. Instruction, suggestion should flow from top level to low level to management. It is unbroken chain of command.

9) Equity:- Equity is nothing but equal treatment to all employees. There should not be any partiality based on Caste, religion, language, geographical area etc. It doesn't mean that everyone should pay equally, payment is based on the designation & qualification.

Ex: Sanction of leave, Training opportunity, promotions etc.

10) Remuneration:-
It should be fair to everyone based on their work. Employer should not feel that most of the earning is employee only taking. An employee should not feel that for my hardwork employer is getting all the profit.

11) Centralization & Decentralization:-

As organization grows, its authority (rights, power) will be shared to the low level management is called decentralization.

Centralization refers to the authority is with top management only.

12) Team Spirit :-

In organization all department should work in team spirit. Team spirit gives motivation, courage to do work in best way.

13) Initiative:- Organization has to give facility & flexibility to the people working in the organization and motivate to the worker to take any new / challenging work.

14) Stability of tenure of personnel :-

Organization has to look towards the employees tenure in the organization. This leads to the failure / success of organization. If individual is not working more than two years or three years in a particular organization it leads to the failure or ineffective work.

④ Span of Control :-

Span of Control is also called a Span of management. Before understanding this let us understand organization structure. Organization structure refers to its frame work within which managerial and operational tasks are to be achieved.

~~which tells~~ It clearly defines the relationship, responsibility, authority, accountability etc.

Span of management

Span of management refers to the number of subordinates a manager can handle effectively.

[As per classical approach span of management is 5 but it is not restricted because now ad days classical approach is not using in the organization.]

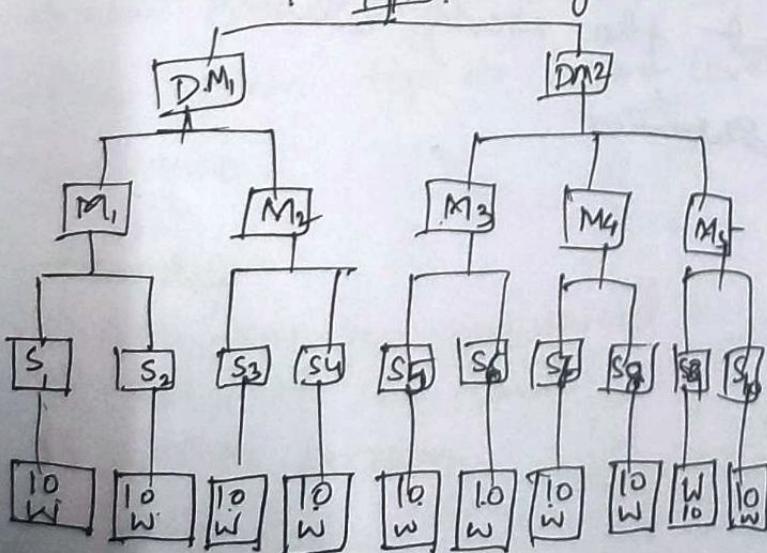
As Span of management increases (higher),
 Organization structure reduces (decreases),
 Other hand as Span of management decrease
 Organization structure increases.

Span of management is inversely proportional to the organization structure.

Ex :-

① 100 employees

For every 10 employees one Supervisor, hence total 10 Supervisors are required and for 10 supervisors 5 Managers are necessary & for 5 managers 2 Deputy Managers are need above all One General Manager.



② 100 employees .

For every 5 employees one Supervisor, hence total 20 Supervisors are required, for 20 Supervisors 10 Managers, 5 Deputy Managers, 2 G.M, 1 M.D.

Factors affecting Span of management :-

- 1) Superior, Capability :-
- 2) Subordinate Capability :-
- 3) Complexity of work
- 4) Similarity of task
- 5) Time required for nonsupervisory activities :-
- 6) Technology :

⑤ Delegation of authority :-

Delegation of authority refers to the granting the authority to the subordinates by a superior. This is nothing but sharing the authority.

Accountability refers to the Subordinate should inform about the work which is assigned by a superior.

⑥ Types of organization:-

Organization is classified based on various factors namely authority, responsibility, specialization, nature of work etc. Following are the different types of organization.

- 1) Line organization
- 2) Line & Staff organization
- 3) Functional organization
- 4) Divisional organization
- 5) Project organization
- 6) Matrix organization
- 7) Committee organization.

① Line Organization:-

It is based on authority and responsibility. It is also called military organization or Scalar chain organization. In this method authority flows from top to bottom level and responsibility vice versa.

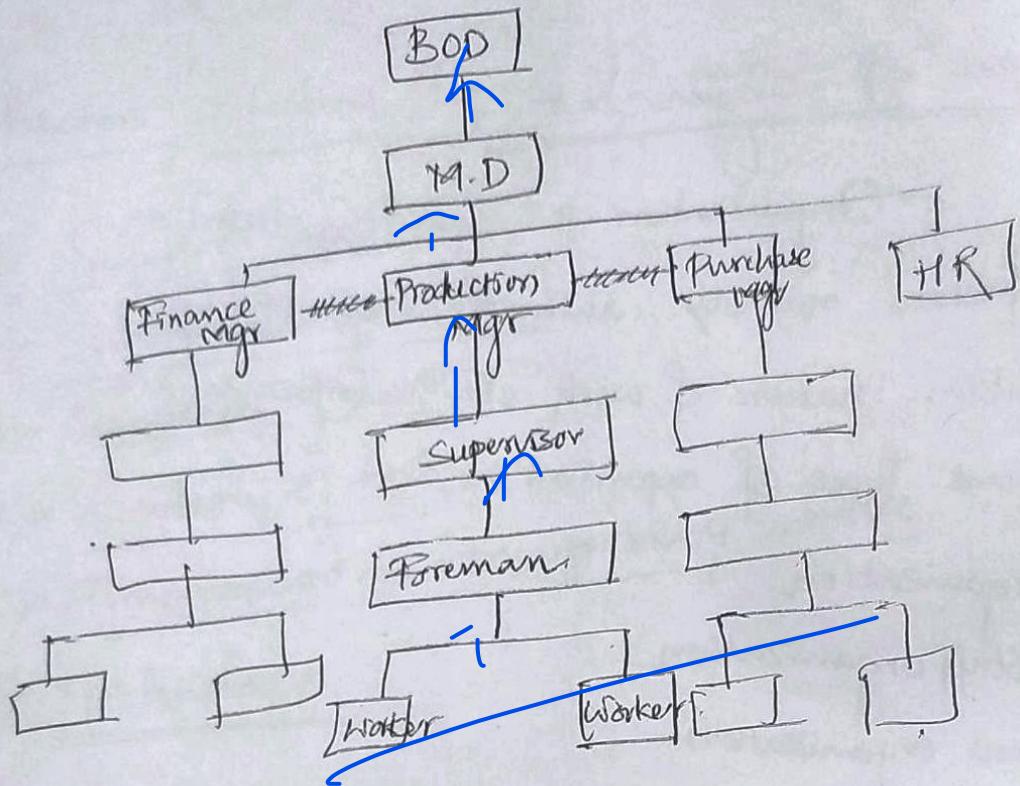
Advantages:-

- 1) Discipline is maintained
- 2) Unity of Command
- 3) Quick Decision

Disadvantages

- 1) Key persons are over loaded.
- 2) No flexibility to workers
- 3) Quality of decision may not get.

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2) Line & Staff organization :-

This is the modification of line organization. Authority & responsibility ~~reflow~~ as line organization. The main difference between line and this structure is specialist are available to the managers to advice or to give suggestion. The manager can make use of their knowledge but its not mandatory.

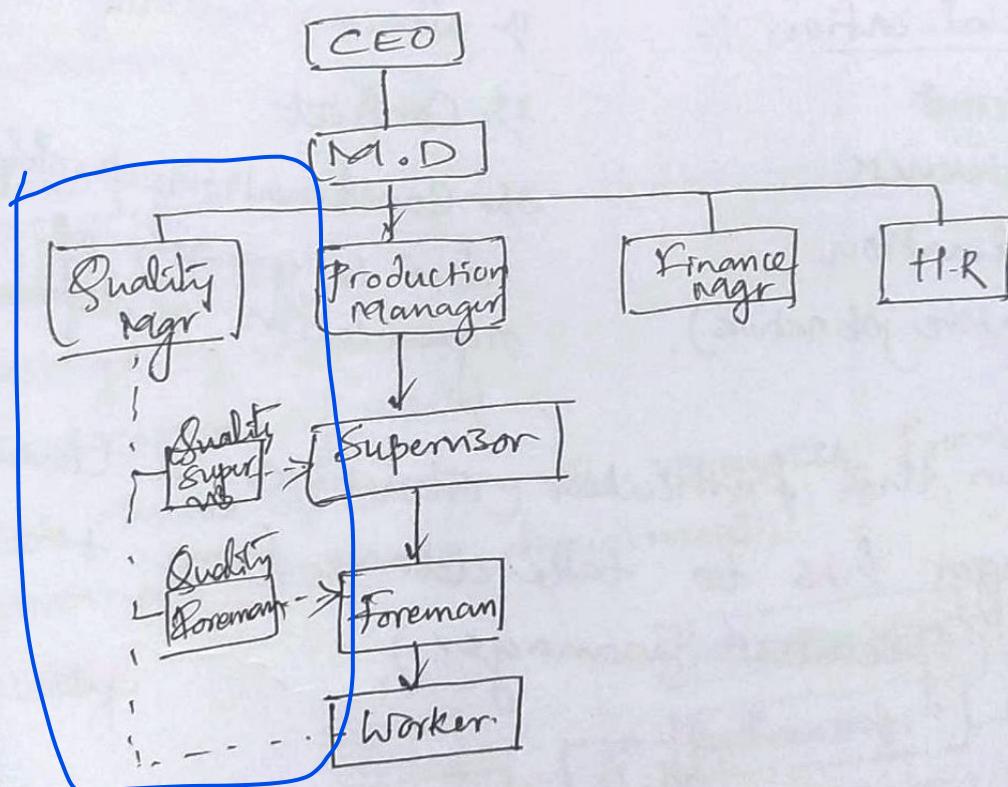
Advantages :-

- 1) Quality of decision
- 2) Key persons will not get overloaded
- 3) Quality of Work

Disadvantages:-

- 1) Conflict may arise
- 2) Ego clash between specialist and manager
- 3) Delay in decision.
- 4) Specialist doesn't have any authority to do the task.

(B) Functional organization



→ Line
---> Staff (Specialist).

(3) Functional Organization:-

Functional organization is developed by F.W. Taylor. This organization uses specialist in particular work and ~~organizes~~ departments are made based on functional activities carried out.

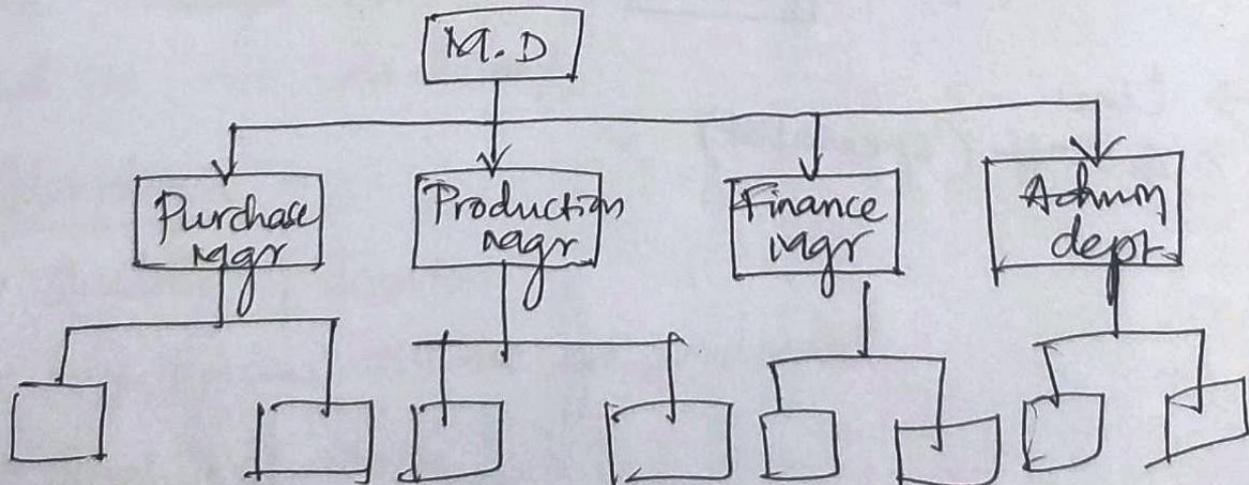
Advantages:-

- 1) Specialization :-
- 2) Efficient
- 3) Effectiveness
- 4) Coordination
(repetitive job nature).

Disadvantages

- 1) Narrow outlook
- 2) Conflict
- 3) Coordination problem due to growth of organizations or department

In this particular structure a line manager has to take advice from the staff (specialist manager).



(4) Divisional organization:-

This type of structure is formed based on the product manufacturing or service provided by the organization.

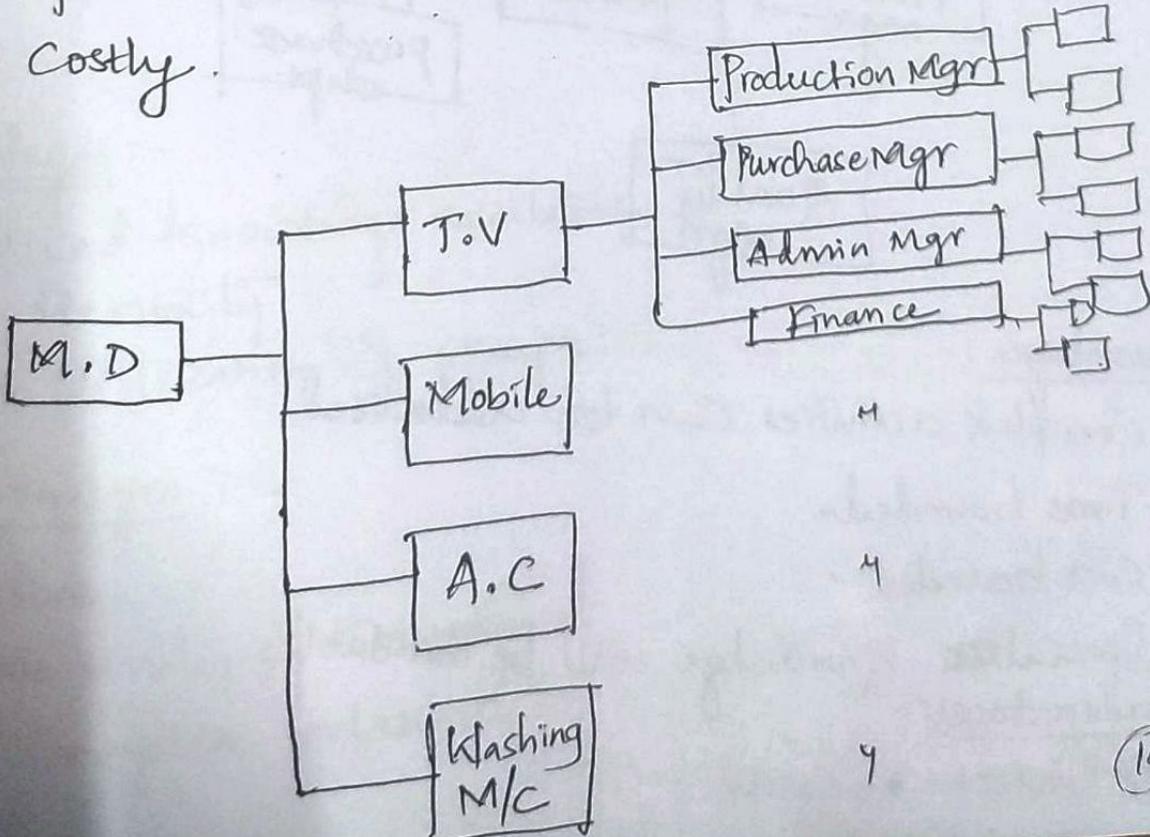
This type of organization suitable for multiproduct manufacture.

Advantages:-

Advantage we can claim same as functional organization.

Disadvantages:-

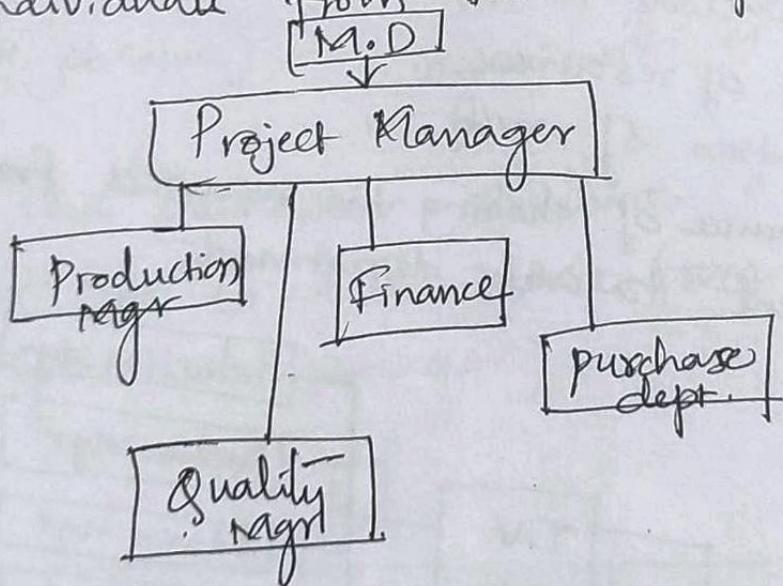
- 1) Narrow outlook
- 2) wastage of resources
- 3) Duplication of work
- 4) Less chance of sharing the resources from one department to other department.
- 5) Costly.



5

Project Manager:- Project Structure

In the modern organization this type of structure is using to get the more benefit. This structure is formed to achieve a particular objectives (target) and after achieving it will be disbanded. It is a temporary structure. The project manager is responsible for everything and he will be having authority to choose the individuals from various department.

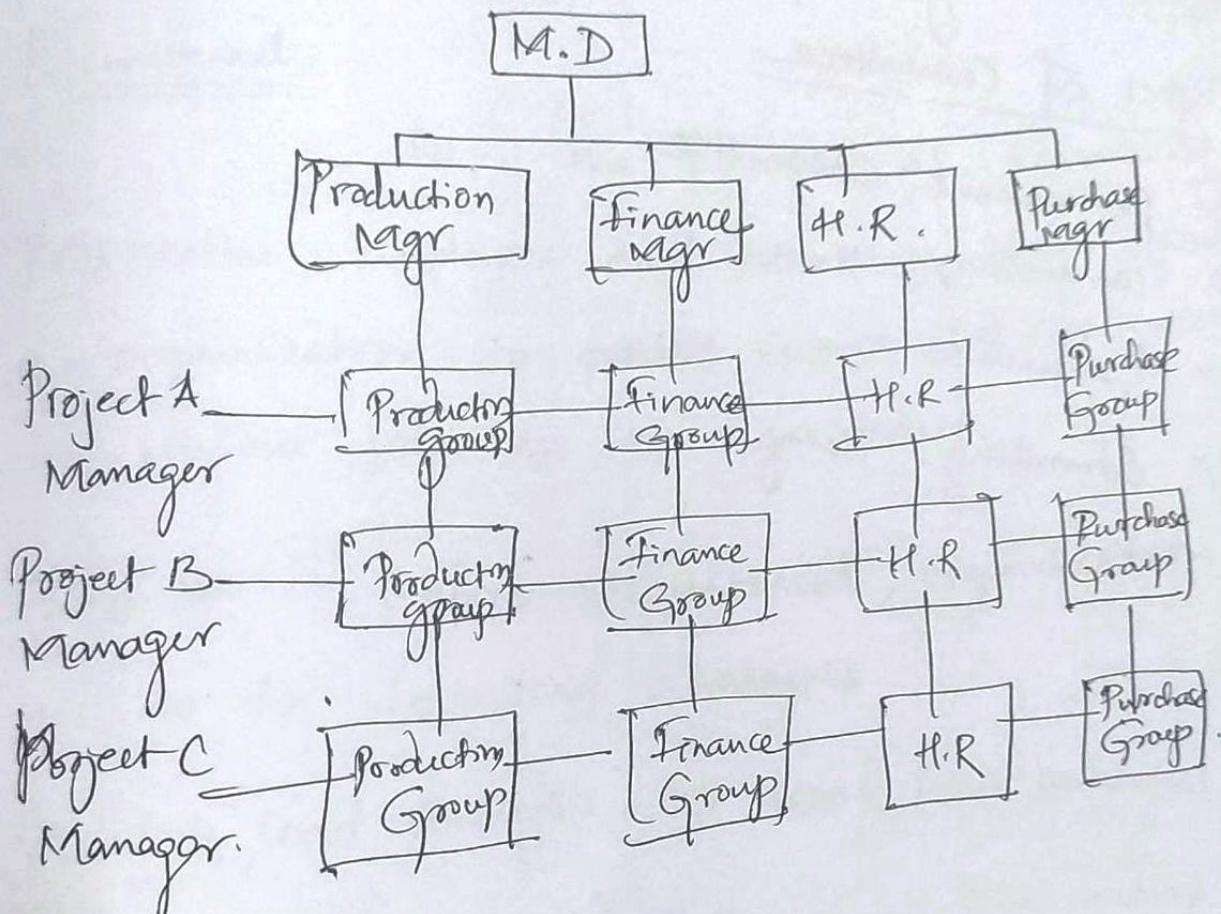


Advantages:-

- 1) Complex activities can be addressed.
 - 2) Time bounded.
 - 3) Cost bounded.
 - 4) Specialist knowledge will be available
- Disadvantages:-
- 1) Conflict
 - 2) Costly

(b) Matrix Organization :-

This is a hybrid organization which uses the project and functional structure. In this employees has to report to the two bosses.



Advantages :-

- 1) Specialised knowledge available
- 2) High flexibility
- 3) Best Utilization of manpower

Disadvantages :-

- 1) Expensive
- 2) Violates unity of command
- 3) Very complex relationship.

7) Committee Organization :-

Some problems in the organization
can not be solved by individuals hence
committees are formed to achieve a specific
objectives or goals.

Types of Committee

- 1) Permanent Committee
- 2) Temporary "
- 3) Executive "
- 4) Standing "



Staffing

Meaning:- It is the process of finding the right person for a right job.

It is nothing but providing human resources for various positions of the organizations.

Recruitment:-

It is the process of searching prospective employees and attracting them towards the organization to ~~fall~~ submit the applications for various jobs in the organization.

Now Before recruitment, organization has to do following analysis.

1) Work Load Analysis 2) Work force Analysis.

Work load analysis tells about how many individuals are required to do the organization work.

Work force analysis gives information about current status (number) of employees. So organization get the any shortage, overload etc based on that organization can start recruitment.

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X Sources of Recruitment :-

1) Internal Source 2) External Source

1) Internal Source :-

These sources are classified as

1) Transfer 2) Promotion.

① Transfer:-

This is the horizontal movement of position from one department to other department or branch. No change in authority and payment.

② Promotion:-

This is the vertical movement from low level position to top level position with change in the authority, responsibility, and payment.

Advantages :-

- 1) Improve performance :-
- 2) Economic Sources :-
- 3) Benefits of shifting :-
- 4) Tool of training :-
- 5) Simplify Selection :-

Disadvantages :-

- 1) Reduction of fresh talent :-
- 2) Unsuitable for new organization :-
- 3) Employees become lethargic
- 4) Reduced competition ✓
- 5) Reduced productivity :-

2) External Source :-

External Source classified as

follows.

1) Direct Employee Recruitment

2) Casual callers :-

3) Advertisement

4) Employment exchange :-

5) Placement agencies & Consultancy :-

6) Campus recruitment

7) Recommendation of employees

8) Web publishing

9) Labour Contractors

10) Advertising on television

Advantages :-

- 1) Fresh talent to the organization
- 2) Competitive Spirit
- 3) Wider choice
- 4) Qualified personnel

Disadvantages :-

- 1) Dissatisfaction among exist employees
- 2) Lengthy process
- 3) Costly process
- 4) Complicated Selection process.

Selection :-

Selection can be defined as selecting best candidate among pool of candidates so that right person can be appointed on right job.

Selection process :-

- 1) Preliminary Screening
- 2) Interview Test
- 3) Employer Test
- 4) Background & reference check
- 5) Selection decision
- 6) Medical test
- 7) Job offer
- 8) Contract of employment.

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1) Preliminary Screening :-
This is the first process where maximum candidates are rejected based on the cut-off, qualification and experience.

2) Interview Test :-

Various interview tests are conducted to filter out bad candidates.

i) Intelligent Test: IQ will be checked.

ii) Aptitude Test: Capacity to learn new things.

iii) Trade u: Skill acquired for current job.

iv) Personality: Emotional & sentiment will be checked.

3) Employer Test :- This is face to face interaction where employer will be curious to know why particular candidate want to join the company and why he is leaving the existing company if any.

4) Background & Reference Check :- To check the details provided in the resume or CV this particular test will be conducted.

5) Selection decision :- Based on the marks acquired in various tests individual can be selected.

6) Medical Test :- After selecting the individual then he has to go through the medical check up whether he will suit for that nature of job.

7) Job Offer : Offer letter will be given to the candidate.

8) Employment Contract :- If candidate accept job letter then mutual agreement can be made. In that job title, probation period, salary, policy will be mentioned.

Selecto

What is Selection process ? Is a positive process or negative

From the point of organization Selection is a positive process because choosing a best from many.

From the point of public or society it is a negative process because many are getting rejected through various tests.]

Training, Education & Development:-

Training is a process where job related knowledge will be provided to the employees. Job procedure, methods, policies to be explained.

Two types of training:-

- i) ON the job 2) OFF the job
- i) Apprenticeship training ii) Vocable training.
- ii) Internship training

Education:-

Education is the increasing the understanding level of the employee.

Many private, government organization provides the facility for higher education to the employees so that they will get the more knowledge related to the work hence better results can be expected.

Development :-

Development is the result ^{or outcome} of the training and education.

Advantages & Disadvantages of training, education and development :-

Usefulness for employees :-

- 1) Helps in increasing the confidence while performing job.
- 2) Helps in increasing the performance level.
- 3) Helps in increasing the motivational level.
- 4) Helps in realising job stability.
- 5) Helps in personal growth of employees.

Usefulness for organization:-

- 1) Helps in increasing efficiency & effectiveness thus increases business profits.
- 2) Helps in better utilization of resources by implementing better working techniques.
- 3) Reduces the labour turn over.
- 4) Helps in building strong workforce at various level who can handle growing stage of organization

Staffing Process :-

This process consist following steps

- 1) planning of human resource requirement.
- 2) Recruitment.
- 3) Selection.
- 4) placement & orientation.
- 5) Training, education & development.

Chapter 5 : Directing

Directing is defined as telling people what to do and seeing that they do it the best of their ability.

Directing function consist for issuing orders, instruction to the subordinate & helping also guiding the subordinates to perform task assigned to them, motivating them by designing good work environment and providing rewards in line with their expectation and performance.

The directing function basically consist three Components 1) Motivation 2) Communication 3) Leadership.

The above all concept or components let us study one by one.

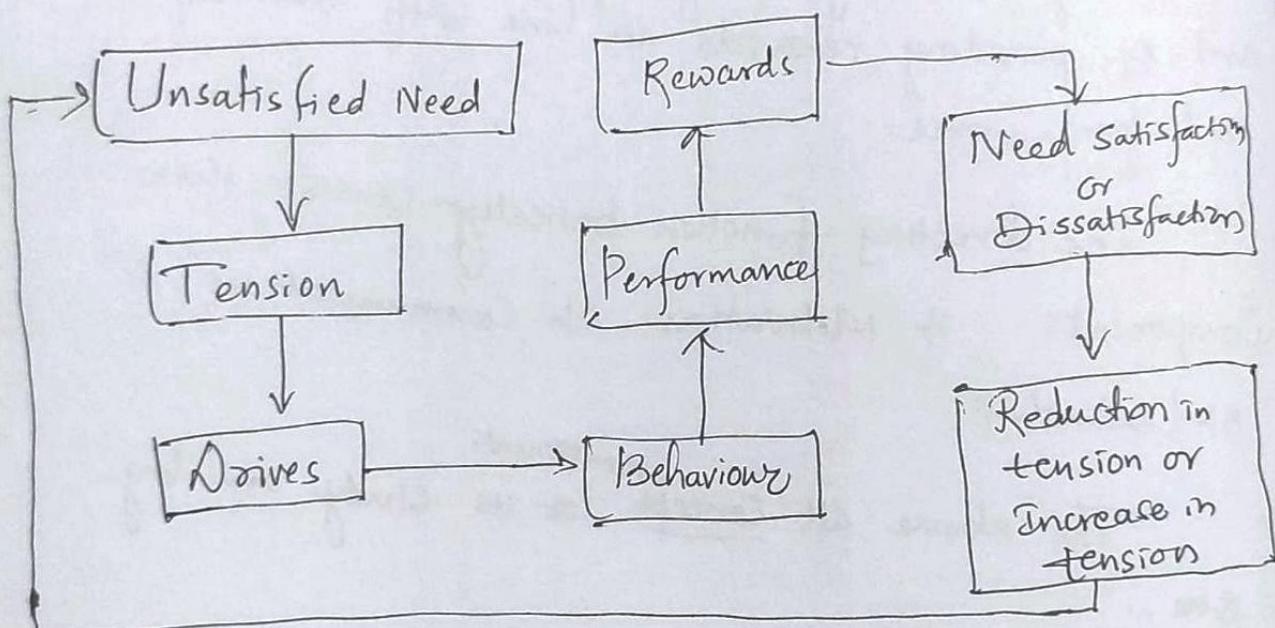
1) Motivation:- The word motivation is derived from "motive" which means need or force or drive. Motivation is the process of stimulating or inspiring people to action to accomplish desired goals.

Only highly motivated employees can achieve the goals of an organization.

Motivation Process:-

- 1) Identifying the needs.
- 2) Designing the techniques for the needs.
- 3) Implementation.

Motivation process can be understand by following block diagram.



Fig① Motivation process.

1) Identifying the Need:-

Understanding the need of every individual in the organization is difficult. But this need is related to inside the man or organization which directly link with human psychology. Hence based on this Psychology some needs will be identified.

2) Designing the techniques for needs :-

Once after understanding needs of individuals then suitable designing techniques to be formed, such as job confirmation, incentives, bonus, retirement scheme, promotion etc. Based on the level of individual suitable technique can be ~~applied~~ used.

3) Implementation :- Understand the need of employee or individual & accordingly implement the technique.

Types of Motivation :-

Basically there are two types of motivation

1) Financial motivation or Monetary Motivation

2) Non financial or Non monetary

First type motivation includes financial benefits to the individuals those are in the form of Salary, bonus, profit-sharing, rewards etc.

Second type of motivation consist job security, promotions, recognitions, praise, felicitation etc.

Motivation itself a positive motivation but still it categories as a positive motivation and negative motivation.

Positive motivation includes both the type of motivations which we have discussed already.

Negative motivation which controls the negative behaviour of the individual which includes punishment, reprimand, fear of loss of job. are some of the methods.

Benefits from motivation :-

1) Best utilization of resources

properly motivated individual uses all the resources wisely and make best use of it.

2) Will to contribute :-

The performance of any individual not only depend on his ability it also depends on willingness to do. Hence motivation can become bridge between ability to do work and willingness to do work.

Performance = Ability \times Motivation

3) Reduction in Labour problem :-

The motivation reduces the labour turnover, absenteeism, indiscipline, ~~given~~ grievances etc.

4) Sizable increase in production & productivity :-

It increases the production hence leads to the profit.

5) Basic of co-operation ~ It brings the harmony, individual help one to another to produce more.